



Bryce Yokomizo  
Director

May 1, 2002

TO: Each Supervisor

FROM: Bryce Yokomizo, Director

SUBJECT: **PRESS RELEASE BY MANPOWER DEMONSTRATION RESEARCH CORPORATION (MDRC)**

This is to inform you that in March of 2002, MDRC released a press packet which contains the report on "Readying Welfare Recipients for Work: Lessons from Four Big Cities as They Implement Welfare Reform." The report details the welfare-to-work activities of active and former welfare recipients between 1997 through early 2001, including those living in Los Angeles County.

**Background:**

Starting July 1997, DPSS has been actively participating with MDRC's Project on Devolution and Urban Change (UCP), a five-year, multi-component study that examines how urban counties and large cities restructure and implement social welfare policies and programs in response to federal welfare legislation. The Urban Change study examines Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) implementation and how it has affected welfare recipients, low-income neighborhoods, and organizations that serve the poor in big cities. Los Angeles County, one of the four counties in the study, had the highest caseload during this study. Cleveland, Miami, and Philadelphia are the other three selected Counties.

**General Findings:**

This MDRC report, based on research findings generated as part of UCP, provides a snapshot of how counties approach the challenge of moving families dependent on public benefits into employment and self sufficiency. Key research findings are:

- Welfare administrators supported PRWORA's emphasis on rapid employment;
- Declining caseloads and the TANF block grant structure left the counties with substantially more money to spend on welfare-to-work activities than had been available in the past;
- The most common welfare-to-work activity in all four counties in 1999/2000 was work itself, followed by job search and short-term vocational training;

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**General Findings: (Cont.)**

- Emphasis on education and training was replaced with a "work-first" approach, although Los Angeles County had already emphasized job search, work and vocational training for participants prior to 1996; and
- Expenditures on welfare-to-work activities since the implementation of welfare reform have increased.

**Pertinent Findings for Los Angeles County:**

- Steady decline in welfare roles and/or aided adults;
- Significant increase in enrollment in welfare-to-work activities;
- Growth in participation rates slow at first but increased significantly;
- Emphasis on work-first activities, which predated federal welfare reform, grew stronger; and
- Sharp rise in welfare-to-work expenditures in 1998/1999.

**Conclusion:**

The report indicates that all the counties increased their expenditures on welfare-to-work activities since the implementation of welfare reform. In the other counties the growth in expenditures between 1996/1997 and 1999/2000 reflects both an increase in the growing number of program enrollees and more costly services per enrollee. By contrast, in Los Angeles County, the cost per enrollee remained approximately the same as before and only the number of program enrollees increased.

Welfare reform placed more emphasis on providing supportive services to ensure participants obtain and retain employment. The report concludes that Los Angeles County is committed to develop many programs and services that assist participants retain employment and eventually move to self-sufficiency. Los Angeles County, not only acknowledges the needs of the urban poor, but has taken a proactive role in addressing these needs with the development and implementation of various initiatives, including our Long-Term Family Self-Sufficiency Plan, in collaboration with our partnering departments, agencies, and community stakeholders.

BY:cc

Attachments

c: Executive Officer, Board of Supervisors  
Chief Administrative Officer  
County Counsel